

weekly market view

macro strategy | 25 January 2019

This reflects the views of the Wealth Management Group

Editorial

Emerging Markets see fund flows return

- **Renewed Emerging Market fund inflows suggest a revival in risk appetite, supporting our tactically bullish equity view. Successful US-China trade talks could help sustain the rally.**
- **Equities:** Lower bond yields have increased the attractiveness of income-oriented sectors within equities. Share buybacks after the earnings season are likely to boost US equities.
- **Bonds:** Emerging Market USD bonds remain relatively inexpensive despite the ongoing rally.
- **FX:** GBP continues to benefit from reduced chances of a 'no-deal' Brexit. We see improving risk/reward on several GBP pairs and currently prefer to stay bullish GBP/AUD.

What's new?

- **Emerging Markets (EMs) see fund flows return.** Asia ex-Japan equities have gained 3.5% YTD amid a revival of fund flows into EMs helped by weaker USD and more stimulus measures from Beijing. However, they have underperformed other EMs, such as Latin America and Eastern Europe. We believe any US-China agreement to reverse punitive tariffs after trade talks on 30-31 January could help Asian equities catch up with other EMs. We prefer China's onshore equities within Asia ex-Japan, given attractive valuations and expected fund flows once the market's weight increases in the MSCI EM index later this year. In China, we prefer the defensive utilities sector and domestic-focused consumer discretionary sector that are resilient to trade tensions.
- **US government shutdown enters second month.** A prolonged shutdown is a key risk to our tactically bullish equity view, since it could hurt US growth. However, we note that the current 'partial' shutdown affects about 17% of 'non-essential' US federal workers (380,000 workers out of a total 2.2mn) who will not be paid, whereas the earlier shutdowns of 2013 and 1995-1996 impacted some 850,000 federal workers. Also, most of the losses from any delay in government spending are likely to be recovered once the shutdown ends, as the pipeline of delayed spending is emptied (though some services consumption may be permanently lost). Risk assets appear to be factoring in a compromise between President Trump and the Democrats soon to end the shutdown. However, every week of the shutdown could reduce growth in the quarter by 0.05-0.1pp, according to estimates, with the impact rising the longer the shutdown lasts.
- **EUR weakens as ECB highlights downside risks.** EUR/USD fell below the 1.13 support after ECB pointed to downside risk to Euro area growth arising from global trade uncertainty, China's slowdown and Brexit. However, local demand remains resilient amid improving job markets. The ECB reiterated plans to keep rates on hold till the summer, with prospects of further extension. EUR/USD's technical support sits between 1.1190 and 1.1210.

What we are watching

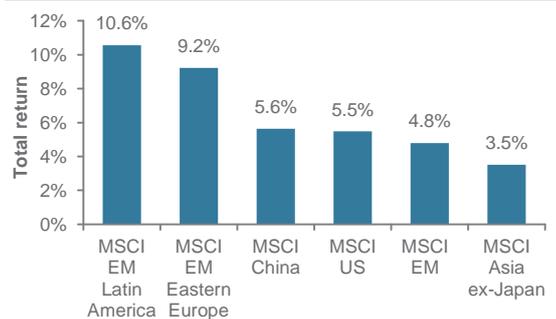
- **Fed policy decision on 30 January.** Several policymakers have advised patience for now, so a rate hike is unlikely in Q1. We would look for guidance on the outlook for domestic activity and inflation, given the recent tightening of financial conditions.

Contents

<i>Emerging Markets see fund flows return</i>	1
<i>What does this mean for investors?</i>	2
<i>Is Gold's rally sustainable?</i>	3
<i>Market performance summary</i>	4
<i>Economic & Market Calendar</i>	5
<i>Disclosure Appendix</i>	6

Emerging Market equities ex-Asia have outperformed YTD; A US-China trade agreement could help Asian markets catch up

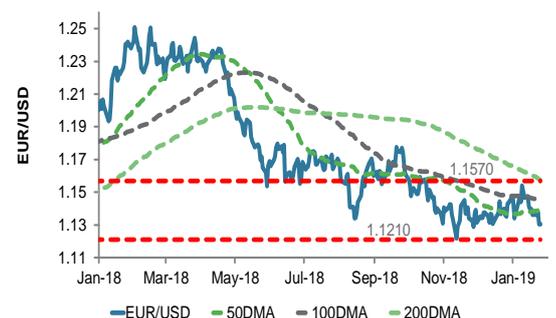
Total returns from major EM equities YTD



Source: Bloomberg, Standard Chartered

EUR/USD broke below 1.13, raising the chances of a test of the next support level at 1.1210

EUR/USD



Source: Refinitiv EIKON, Standard Chartered

Steve Brice
Chief Investment Strategist

Rajat Bhattacharya
Senior Investment Strategist

Clive McDonnell
Head, Equity Investment Strategy

Francis Lim
Senior Investment Strategist

Manpreet Gill
Head, FICC Investment Strategy

Thursten Cheok, CFA
Senior Portfolio Strategist

Arun Kelshiker, CFA
Head, Portfolio Strategy

Abhilash Narayan
Investment Strategist

Audrey Goh, CFA
Senior Cross-asset Strategist

Cedric Lam
Investment Strategist

Daniel Lam, CFA
Senior Cross-asset Strategist

Trang Nguyen
Portfolio Strategist

Belle Chan
Senior Investment Strategist

DJ Cheong
Investment Strategist

What does this mean for investors?

Global equities extended their rebound, led by EMs, as funds continued to flow back. EM USD bonds outperformed in debt markets. GBP outperformed among currencies.

Equities: Real estate investment trusts (REITs) more attractive

- **Lower bond yields positive for REITs.** The decline in bond yields over the past two months has increased the attractiveness of alternative income-orientated assets. MSCI World Real Estate Investment Trust (REIT) index is up 8% from its December lows as the lagged effect of the decline in bond yields positively impacts income-generating assets. For investors with a need for income, we believe the REITs sector is attractive.
- **US share buybacks to support stocks.** US share buybacks in 2018 were about USD 800bn, which was about USD 200bn below the level of buybacks authorised by company boards. Consensus expects these unexecuted buybacks to be completed this year. US regulations prohibit buybacks in the six weeks prior to earnings announcements. We expect companies to resume buybacks once they report Q4 2018 earnings, lending support to US stocks, our preferred equity market.

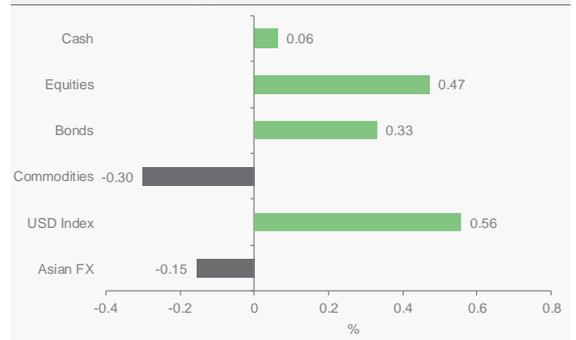
Bonds: EM bonds gain on continued fund flows

- **Fund flows drive EM bonds:** EM bonds benefitted from positive risk sentiment and strong inflows, which resulted in a rally in EM USD government bonds, especially High Yield bonds. Despite the rally, valuations remain somewhat cheap. We remain comfortable adding exposure to the asset class. Asian USD bonds delivered positive returns. However, the surge in bond issuance, especially from Chinese issuers, kept the gains in check. While we like the asset class, surge in issuance ahead of the Chinese New Year could weigh on the market in the short-term.
- **Mixed outlook for US corporate bonds:** US Investment Grade corporate bonds delivered strong performance as they benefitted from lower US Treasury yields and decline in yield premiums, helped by cues from a robust earnings season. However, High Yield bonds suffered as yield premiums increased, likely due to oil price concerns, resulting in nearly flat returns. We continue to view US HY bonds as least preferred and would look to reduce exposure.

FX: Opportunities in GBP

- **GBP/USD breaks above 1.30.** The break of the psychologically important resistance level follows the UK opposition Labour party supporting a bid in parliament to rule out a 'no-deal' Brexit. The parliament will vote on the next course for Brexit on 29 January. Momentum indicators suggest GBP/USD is not yet overbought. Hence, we believe a break of 1.3085 could open the way for a further rally towards the September high of 1.3300. The pair has strong support around 1.2830. GBP/AUD is our preferred route to benefit from further GBP upside, given the weak economic and interest rate outlook for the AUD.
- **USD/CAD corrective rally likely to fade.** USD/CAD recovered above 1.33 as weak Canadian retail sales and slightly lower oil prices weighed on CAD. We believe this rally is a correction of the sharp 3.5% drop during the first week of the year. Resistance is expected to be strong between 1.34 and 1.3470, before the next leg lower re-tests the 1.3175 low and 1.3115 support.
- **USD/JPY continues to recover as BoJ cuts inflation forecasts.** The BoJ cut its fiscal 2019 inflation forecast to 0.9% from 1.4%, underscoring its challenges against normalising policy. USD/JPY faces resistance at 110.40, followed by 111.20.

Benchmark (USD) performance w/w*



*Week of 17 January 2019 to 24 January 2019

Source: MSCI, JP Morgan, DJ-UBS, Citigroup, Bloomberg, Standard Chartered (Indices used are JP Morgan Cash, MSCI AC World TR, Citi World Big, DJ-UBS Commodity, DXY and ADXY)

Asia equity market technicals have turned positive

Technical levels of key market indicators as on 24 Jan.

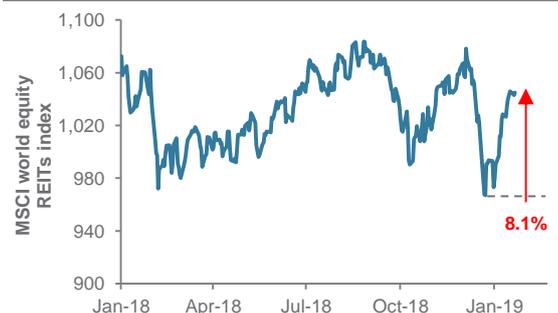
Index	Spot	1st support	1st resistance	Short-term trend
S&P500	2,642	2,570	2,715	↗
STOXX 50	3,126	3,035	3,213	↗
FTSE 100	6,819	6,800	7,002	→
Nikkei 225	20,575	19,700	20,960	↗
Shanghai Comp	2,592	2,515	2,645	↗
Hang Seng	27,121	26,000	28,000	↗
MSCI Asia ex-Japan	622	594	630	↗
MSCI EM	1,019	968	1,053	↗
Brent (ICE)	61	57	64	→
Gold	1,281	1,265	1,325	↗
UST 10Y Yield	2.72	2.65	2.82	↘

Source: Trading Central, Standard Chartered

Note: Arrows represent short-term trend opinions

Global REITs have been boosted by lower bond yields amid demand from income-seeking investors

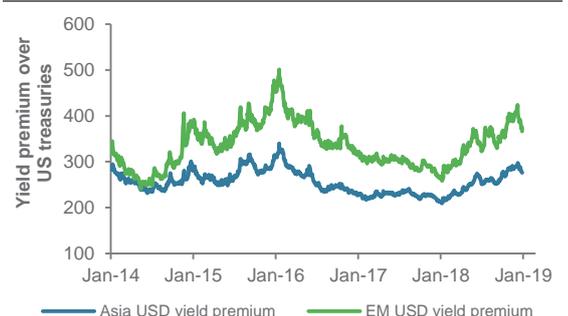
MSCI World Equity REITs index



Source: Bloomberg, Standard Chartered

The EM USD government bond yield premium has tightened significantly from undervalued levels, while the Asia USD bond yield premium remained stable

EM USD government bond and Asia USD bond yield premiums over US Treasuries



Source: Bloomberg, Standard Chartered

Top client questions

Q1. Is Gold's rally sustainable from a medium-term perspective?

Yes, we believe the probability of a sustained rally is rising, but 1,375 is a key technical resistance.

After being in a range for years, gold is once again flexing its muscles. A bullish pattern on longer-term charts is a sign that gold could be turning bullish again, in our view.

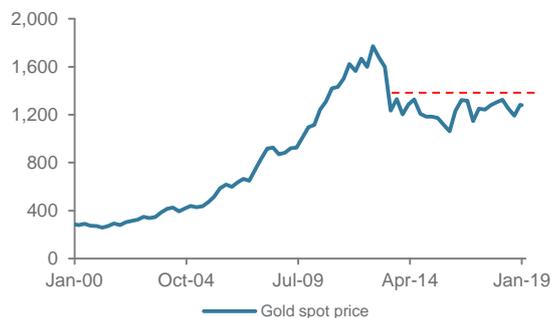
Gold (as measured by the XAU/USD pair) formed a bullish pattern on the quarterly candlestick charts in the October-December 2018 quarter, near a fairly strong support – the end-2016 low of 1,122. This is the second time since the first quarter of 2016 that gold has formed this pattern. Back then, it held key support at 1,085 (the 50% retracement of the 1999-2011 bull run). This means that 1,085-1,125 is turning out to be a strong base for the yellow metal.

However, while base-building is a necessary condition, it is not a sufficient one for a rally. It needs to clear crucial horizontal trendline resistance at about 1,375 (which has capped gains since 2014) for the long-term uptrend to resume.

Gold has been recently supported by expectations of a flatter trajectory of US interest rates after a less-hawkish Federal Open Market Committee meeting in December. Higher real interest rates tend to reduce the attractiveness of the non-yielding yellow metal. So, fewer Fed rate hikes than previously expected, at least at the margin, is supportive of gold.

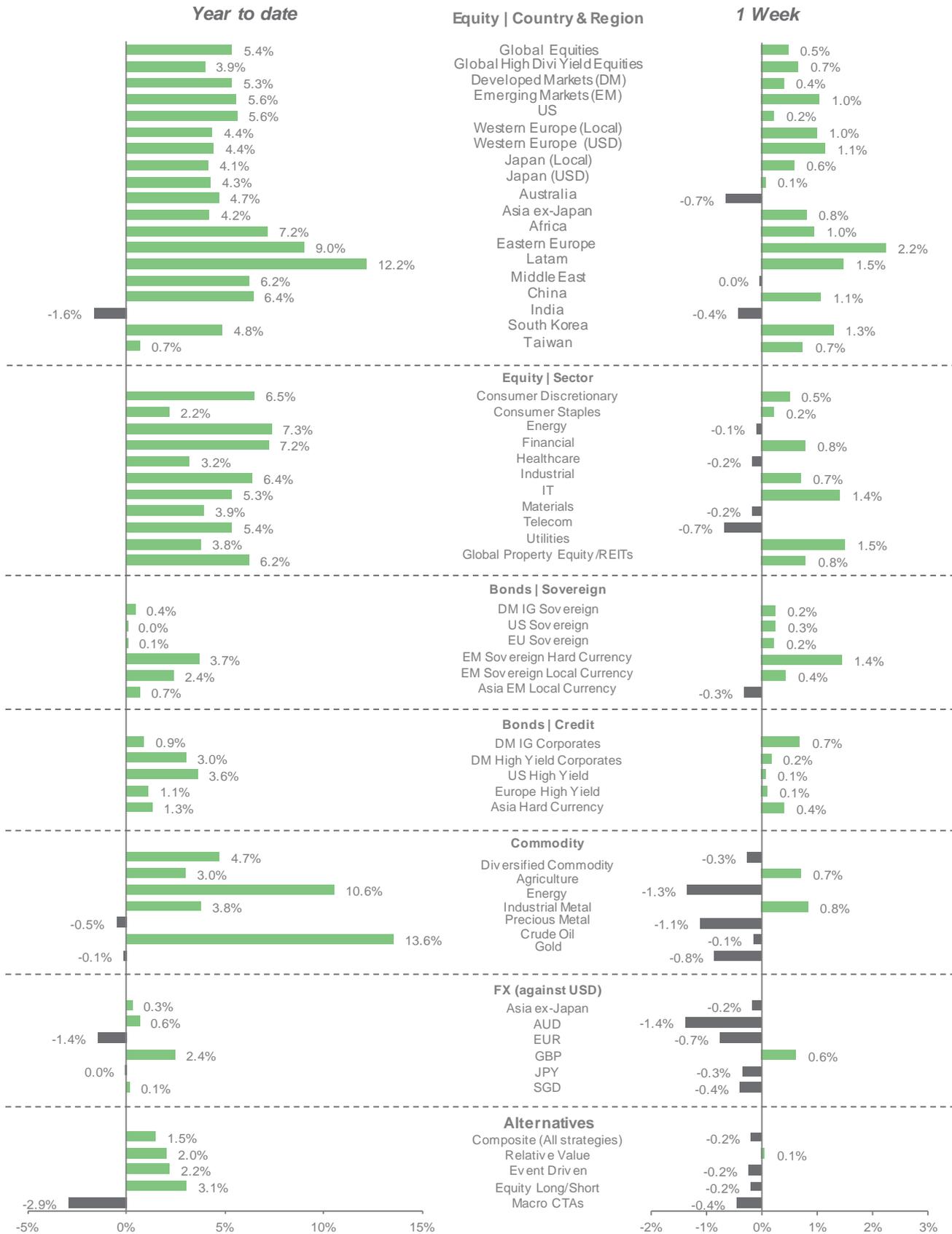
However, a failure to break above resistance at 1,375 would raise the risk of a prolonged sideways range. To sum up, while it may be too soon to say that the yellow metal is now ready to resume its long-term uptrend, the building blocks for a medium-term rally are beginning to fall in place. 1,375 is a key level to watch.

Gold is testing a key long-term technical resistance
Quarterly Gold prices; dotted line at USD1,375/oz shows key technical resistance



Source: Bloomberg, Standard Chartered

Market performance summary*



*Performance in USD terms unless otherwise stated, YTD period from 31 December 2018 to 24 January 2019, 1 week period: 17 January 2019 to 24 January 2019

Sources: MSCI, JP Morgan, Barclays Capital, Citigroup, Dow Jones, HFRX, FTSE, Bloomberg, Standard Chartered

Economic & Market Calendar

	Event	Next Week	Date	Period	Expected	Prior
TUE	US	Conf. Board Consumer Confidence	29-Jan-19	Jan	126.0	128.1
WED	GE	CPI EU Harmonized y/y	30-Jan-19	Jan P	–	1.7%
	US	GDP Annualized q/q	30-Jan-19	4Q A	2.6%	3.4%
	US	Core PCE q/q	30-Jan-19	4Q A	–	1.6%
THUR	US	FOMC Rate Decision (Upper Bound)	31-Jan-19	30-Jan	2.5%	2.5%
	JN	Industrial Production y/y	31-Jan-19	Dec P	-2.3%	1.5%
	CH	Non-manufacturing PMI	31-Jan-19	Jan	–	53.8
	CH	Manufacturing PMI	31-Jan-19	Jan	–	49.4
	US	PCE Core y/y	31-Jan-19	Dec	–	1.9%
	US	Chicago Purchasing Manager	31-Jan-19	Jan	60	65.4
FRI/SAT	SK	Exports y/y	01-Feb-19	Jan	–	-1.2%
	CH	Caixin China PMI Mfg	01-Feb-19	Jan	–	49.7
	EC	CPI Core y/y	01-Feb-19	Jan A	–	1.0%
	US	Change in Nonfarm Payrolls	01-Feb-19	Jan	160k	312k
	US	ISM Manufacturing	01-Feb-19	Jan	54.1	54.1

	Event	This Week	Date	Period	Actual	Prior
MON	CH	Retail Sales y/y	21-Jan-19	Dec	8.2%	8.1%
	CH	Industrial Production y/y	21-Jan-19	Dec	5.7%	5.4%
	CH	Fixed Assets Ex Rural YTD y/y	21-Jan-19	Dec	5.9%	5.9%
	CH	GDP y/y	21-Jan-19	4Q	6.4%	6.5%
TUE	UK	Average Weekly Earnings 3m/y/y	22-Jan-19	Nov	3.4%	3.3%
	US	Existing Home Sales	22-Jan-19	Dec	4.99m	5.32m
WED	JN	Exports y/y	23-Jan-19	Dec	-3.8%	0.1%
THUR	GE	Markit/BME Germany Composite PMI	24-Jan-19	Jan P	52.1	51.6
	EC	Markit Eurozone Manufacturing PMI	24-Jan-19	Jan P	50.5	51.4
	EC	Markit Eurozone Services PMI	24-Jan-19	Jan P	50.8	51.2
	EC	Markit Eurozone Composite PMI	24-Jan-19	Jan P	50.7	51.1
	US	Markit US Composite PMI	24-Jan-19	Jan P	54.5	54.4
	US	Leading Index	24-Jan-19	Dec	-0.1%	0.2%
FRI/SAT	US	Cap Goods Orders Nondef Ex Air	25-Jan-19	Dec P	–	–
	US	New Home Sales	25-Jan-19	Dec	–	–

Previous data are for the preceding period unless otherwise indicated

Data are % change on previous period unless otherwise indicated

P - preliminary data, F - final data, sa - seasonally adjusted

y/y – year-on-year, m/m - month-on-month

Source: Bloomberg, Standard Chartered; key indicators highlighted in blue

Disclosure Appendix

THIS IS NOT A RESEARCH REPORT AND HAS NOT BEEN PRODUCED BY A RESEARCH UNIT.

This document is not research material and it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. This document does not necessarily represent the views of every function within Standard Chartered Bank, particularly those of the Global Research function.

Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

Banking activities may be carried out internationally by different Standard Chartered Bank branches, subsidiaries and affiliates (collectively "SCB") according to local regulatory requirements. With respect to any jurisdiction in which there is a SCB entity, this document is distributed in such jurisdiction by, and is attributable to, such local SCB entity. Recipients in any jurisdiction should contact the local SCB entity in relation to any matters arising from, or in connection with, this document. Not all products and services are provided by all SCB entities.

This document is being distributed for general information only and it does not constitute an offer, recommendation or solicitation to enter into any transaction or adopt any hedging, trading or investment strategy, in relation to any securities or other financial instruments. This document is for general evaluation only, it does not take into account the specific investment objectives, financial situation or particular needs of any particular person or class of persons and it has not been prepared for any particular person or class of persons.

Investment involves risks. The prices of investment products fluctuate, sometimes dramatically. The price of investment products may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling investment products. You should not rely on any contents of this document in making any investment decisions. Before making any investment, you should carefully read the relevant offering documents and seek independent legal, tax and regulatory advice. In particular, we recommend you to seek advice regarding the suitability of the investment product, taking into account your specific investment objectives, financial situation or particular needs, before you make a commitment to purchase the investment product.

Opinions, projections and estimates are solely those of SCB at the date of this document and subject to change without notice. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. Any forecast contained herein as to likely future movements in rates or prices or likely future events or occurrences constitutes an opinion only and is not indicative of actual future movements in rates or prices or actual future events or occurrences (as the case may be). This document has not been and will not be registered as a prospectus in any jurisdiction and it is not authorised by any regulatory authority under any regulations.

SCB makes no representation or warranty of any kind, express, implied or statutory regarding, but not limited to, the accuracy of this document or the completeness of any information contained or referred to in this document. This document is distributed on the express understanding that, whilst the information in it is believed to be reliable, it has not been independently verified by us. SCB accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of this document, howsoever arising, and including any loss, damage or expense arising from, but not limited to, any defect, error, imperfection, fault, mistake or inaccuracy with this document, its contents or associated services, or due to any unavailability of the document or any part thereof or any contents.

SCB, and/or a connected company, may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities, currencies or financial instruments referred to on this document or have a material interest in any such securities or related investment, or may be the only market maker in relation to such investments, or provide, or have provided advice, investment banking or other services, to issuers of such investments. Accordingly, SCB, its affiliates and/or subsidiaries may have a conflict of interest that could affect the objectivity of this document. This document must not be reproduced, forwarded or otherwise made available to any other person without the express written consent of SCB, nor should it be distributed into any other jurisdiction unless permitted by the local laws and regulations of that jurisdiction. Neither SCB nor any of its directors, employees or agents accept any liability whatsoever for the actions of third parties in this respect.

Copyright: Standard Chartered Bank 2019. Copyright in all materials, text, articles and information contained herein is the property of, and may only be reproduced with permission of an authorised signatory of, Standard Chartered Bank. Copyright in materials created by third parties and the rights under copyright of such parties are hereby acknowledged. Copyright in all other materials not belonging to third parties and copyright in these materials as a compilation vests and shall remain at all times copyright of Standard Chartered Bank and should not be reproduced or used except for business purposes on behalf of Standard Chartered Bank or save

with the express prior written consent of an authorised signatory of Standard Chartered Bank. All rights reserved. © Standard Chartered Bank 2019.

Standard Chartered Private Bank is the private banking division of SCB. Private banking activities may be carried out internationally by different SCB legal entities and affiliates according to local regulatory requirements. Not all products and services are provided by all SCB branches, subsidiaries and affiliates. Some of the SCB entities and affiliates only act as representatives of the Standard Chartered Private Bank, and may not be able to offer products and services, or offer advice to clients. They serve as points of contact only.

Country and Area Specific Disclosures

Botswana: This document is being distributed in Botswana by, and is attributable to, Standard Chartered Bank Botswana Limited which is a financial institution licensed under the Section 6 of the Banking Act CAP 46:04 and is listed in the Botswana Stock Exchange.

Brunei Darussalam: This document is being distributed in Brunei Darussalam by, and is attributable to, Standard Chartered Securities (B) Sdn Bhd which is a limited liability company registered with the Registry of Companies with Registration Number RC20001003 and licensed by Autoriti Monetari Brunei Darussalam as a Capital Markets Service License Holder with License Number AMBD/R/CMU/S3-CL.

China Mainland: This document is being distributed in China by, and is attributable to, Standard Chartered Bank (China) Limited which is mainly regulated by China Banking Regulatory Commission (CBRC), State Administration of Foreign Exchange (SAFE), and People's Bank of China (PBOC).

Hong Kong: In Hong Kong, this document, except for any portion advising on or facilitating any decision on futures contracts trading, is distributed by Standard Chartered Bank (Hong Kong) Limited ("SCBHK"), a subsidiary of Standard Chartered Bank. SCBHK has its registered address at 32/F, Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong and is regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission ("SFC") to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Cap. 571) ("SFO") (CE No. AJ1614). The contents of this document have not been reviewed by any regulatory authority in Hong Kong and you are advised to exercise caution in relation to any offer set out herein. If you are in doubt about any of the contents of this document, you should obtain independent professional advice. Any product named herein may not be offered or sold in Hong Kong by means of any document at any time other than to "professional investors" as defined in the SFO and any rules made under that ordinance. In addition, this document may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and any interests may not be disposed of, to any person unless such person is outside Hong Kong or is a "professional investor" as defined in the SFO and any rules made under that ordinance, or as otherwise may be permitted by that ordinance. In Hong Kong, Standard Chartered Private Bank is the private banking division of Standard Chartered Bank (Hong Kong) Limited.

Ghana: Standard Chartered Bank Ghana Limited accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of these documents. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. You should seek advice from a financial adviser on the suitability of an investment for you, taking into account these factors before making a commitment to invest in an investment. To unsubscribe from receiving further updates, please click [here](#). Please do not reply to this email. Call our Priority Banking on 0302610750 for any questions or service queries. You are advised not to send any confidential and/or important information to the Bank via e-mail, as the Bank makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. The Bank shall not be responsible for any loss or damage suffered by you arising from your decision to use e-mail to communicate with the Bank.

India: Standard Chartered Bank is registered with Securities and Exchange Board of India as an Investment Advisor (Registration Number: INA000002249) under the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013. You can avail of investment advisory services of Standard Chartered Bank only upon (i) executing separate documents with the Investment Advisory Group of Standard Chartered Bank for availing 'Investment Advice' (as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013); and (ii) paying specific fees (if applied by Standard Chartered Bank) for such 'Investment Advice'. Standard Chartered Bank acts as a distributor of mutual funds and referrer of other third party financial products, for which Standard Chartered Bank receives commission / referral fees from the product provider.

Jersey: In Jersey, Standard Chartered Private Bank is the Registered Business Name of the Jersey Branch of Standard Chartered Bank. The Jersey Branch of Standard Chartered Bank is regulated by the Jersey Financial Services Commission. Copies of the latest audited accounts of Standard Chartered Bank are available from its principal place of business in Jersey: PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Jersey Branch of Standard Chartered Bank is also an authorised financial services provider under license number 44946 issued by the Financial Sector Conduct Authority of the Republic of South Africa.

Jersey is not part of the United Kingdom and all business transacted with Standard Chartered Bank, Jersey Branch and other Standard Chartered Group Offices outside of the United Kingdom, are not subject to some or any of the investor protection and compensation schemes available under United Kingdom law.

Kenya: Investment Products and Services are distributed by Standard Chartered Investment Services Limited, a wholly owned subsidiary of Standard Chartered Bank Kenya Limited (Standard Chartered Bank/the Bank) that is licensed by the Capital Markets Authority as a Fund Manager. Standard Chartered Bank Kenya Limited is regulated by the Central Bank of Kenya.

Malaysia: This document is being distributed in Malaysia by Standard Chartered Bank Malaysia Berhad. Recipients in Malaysia should contact Standard Chartered Bank Malaysia Berhad in relation to any matters arising from, or in connection with, this document.

Singapore SCBSL: This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited ("SCBSL"). Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. SCBSL is an indirect wholly-owned subsidiary of Standard Chartered Bank and is licensed to conduct banking business in Singapore under the Singapore Banking Act, Chapter 19. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 ("SFA"). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA, OR ON TERMS THAT THE SECURITIES MAY ONLY BE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S\$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION. Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions, specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S\$50,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured.

Singapore SCB, Singapore Branch: This document is being distributed in Singapore by SCB, Singapore branch only to accredited investors, expert investors or institutional investors, as defined in the Securities and Futures Act, Chapter 289 of Singapore. Recipients in Singapore should contact SCB, Singapore branch in relation to any matters arising from, or in connection with, this document. In Singapore, Standard Chartered Private Bank is the Private Banking division of SCB, Singapore branch. SCB, Singapore branch (Registration No. S16FC0027L) (GST Registration No.: MR-8500053-0) is licensed to conduct banking business under the Banking Act, Chapter 19 of Singapore. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SFA). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA. Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, and in accordance with the conditions, specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S\$50,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured. In relation to any collective investment schemes referred to in this document (if any), this document is for general information purposes only and is not an offering document or prospectus (as defined in the SFA). This document is not, nor is it intended to be (i) an offer or solicitation of an offer to buy or sell any financial product; or (ii) an advertisement of an offer or intended offer of any financial product.

Taiwan: Standard Chartered Bank ("SCB") or Standard Chartered Bank (Taiwan) Limited ("SCB (Taiwan)") may be involved in the financial instruments contained herein or other related financial instruments. The author of this document may have discussed the information contained herein with other employees or agents of SCB or SCB (Taiwan). The author and the above-mentioned employees of SCB or SCB (Taiwan) may have taken related actions in respect of the information involved (including communication with customers of SCB or SCB (Taiwan) as to the information contained herein). The opinions contained in this document may change, or differ from the opinions of employees of SCB or SCB (Taiwan). SCB and SCB (Taiwan) will not provide any notice of any changes to or differences between the above-mentioned opinions. This document may cover companies with which SCB or SCB (Taiwan) seeks to do business at times and issuers of financial instruments. Therefore, investors should understand that the information contained herein may serve as specific purposes as a result of conflict of interests of SCB or SCB (Taiwan). SCB, SCB (Taiwan), the employees (including those who have discussions with the author) or customers of SCB or SCB

(Taiwan) may have an interest in the products, related financial instruments or related derivative financial products contained herein; invest in those products at various prices and on different market conditions; have different or conflicting interests in those products. The potential impacts include market makers' related activities, such as dealing, investment, acting as agents, or performing financial or consulting services in relation to any of the products referred to in this document

Thailand: Please study the Scheme Information Documents carefully e.g. investment policy, risks, fund performance before investing.

UAE: DIFC - Standard Chartered Bank, Dubai International Financial Centre (SCB DIFC) having its offices at Dubai International Financial Centre, Building 1, Gate Precinct, P.O. Box 999, Dubai, UAE is a branch of Standard Chartered Bank and is regulated by the Dubai Financial Services Authority ("DFSA"). This document is intended for use only by Professional Clients and is not directed at Retail Clients as defined by the DFSA Rulebook. In the DIFC we are authorized to provide financial services only to clients who qualify as Professional Clients and Market Counterparties and not to Retail Clients. As a Professional Client you will not be given the higher retail client protection and compensation rights and if you use your right to be classified as a Retail Client we will be unable to provide financial services and products to you as we do not hold the required license to undertake such activities. For Islamic transactions, we are acting under the supervision of our Shariah Supervisory Committee. Relevant information on our Shariah Supervisory Committee is currently available on the Standard Chartered Bank website in the Islamic banking section [here](#).

UAE: For residents of the UAE – Standard Chartered Bank UAE does not provide financial analysis or consultation services in or into the UAE within the meaning of UAE Securities and Commodities Authority Decision No. 48/r of 2008 concerning financial consultation and financial analysis.

Uganda: Our Investment products and services are distributed by Standard Chartered Bank Uganda Limited, which is licensed by the Capital Markets Authority as an investment adviser.

United Kingdom: Standard Chartered Bank (trading as Standard Chartered Private Bank) is an authorised financial services provider (licence number 45747) in terms of the South African Financial Advisory and Intermediary Services Act, 2002.

Zambia: This document is distributed by Standard Chartered Bank Zambia Plc, a company incorporated in Zambia and registered as a commercial bank and licensed by the Bank of Zambia under the Banking and Financial Services Act Chapter 387 of the Laws of Zambia.

Market Abuse Regulation (MAR) Disclaimer

Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Banking activities may be carried out internationally by different Standard Chartered Bank branches, subsidiaries and affiliates (collectively "SCB") according to local regulatory requirements. Opinions may contain outright "buy", "sell", "hold" or other opinions. The time horizon of this opinion is dependent on prevailing market conditions and there is no planned frequency for updates to the opinion.

This opinion is not independent of SCB's own trading strategies or positions. SCB and/or its affiliates or its respective officers, directors, employee benefit programmes or employees, including persons involved in the preparation or issuance of this document may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities or financial instruments referred to in this document or have material interest in any such securities or related investments. Therefore, it is possible, and you should assume, that SCB has a material interest in one or more of the financial instruments mentioned herein. If specific companies are mentioned in this communication, please note that SCB may at times do business or seek to do business with the companies covered in this communication; hold a position in, or have economic exposure to, such companies; and/or invest in the financial products issued by these companies. Further, SCB may be involved in activities such as dealing in, holding, acting as market makers or liquidity providers, or performing financial or advisory services including but not limited to, lead manager or co-lead manager in relation to any of the products referred to in this communication. SCB may have received compensation for these services and activities. Accordingly, SCB may have a conflict of interest that could affect the objectivity of this communication.

SCB has in place policies and procedures, logical access controls and physical information walls to help ensure confidential information, including material non-public or inside information is not disclosed unless in line with its policies and procedures and the rules of its regulators.

Please refer to <https://www.sc.com/en/banking-services/market-disclaimer.html> for more detailed disclosures, including past opinions in the last 12 months and conflict of interests, as well as disclaimers. This document must not be forwarded or otherwise made available to any other person without the express written consent of Standard Chartered Bank.

THIS IS NOT A RESEARCH REPORT AND HAS NOT BEEN PRODUCED BY A RESEARCH UNIT.